Lucara Diamond

Lucara Reports Continued Excellent Results From Mothae Diamond Project in Lesotho

VANCOUVER, BRITISH COLUMBIA--(Marketwire - June 16, 2011) -Lucara Diamond Corp. ("Lucara" or the "Company) (TSX VENTURE:LUC) is pleased to provide an update on trial mining operations on the Mothae kimberlite project in Lesotho. Sample G2A was completed in early May, producing 1,903.15 carats of diamonds with an average stone size of 0.45 carats/stone from 33,691 dry tonnes of kimberlite for a sample grade of 5.65 carats per hundred tonnes (cpht). G2A produced one stone greater than 20 carats, 3 stones between 10 and 20 carats, 10 stones between 5 and 10 carats and 83 stones between 2 and 5 carats. The largest three diamonds recovered from sample G2A weighed 41.38, 19.35 and 12.63 carats.

The following table summarizes results of samples completed to date in the trial mining program:

Sample	Stones	Carats	Cts/Stone	Dry Tonnes	Grade (cpht)
C4A	1,446	756.71	0.52	29,649	2.55
C5A	3,084	1,111.25	0.36	48,542	2.29
C6A	523	258.10	0.49	7,296	3.54
C8A	3,510	1,439.85	0.41	49,152	2.93
C9A	3,824	1,929.04	0.50	40,370	4.78
G2A	4,239	1,903.15	0.45	33,691	5.65
Total	16,626	7,398.10	0.44	208,700	3.54

Lucara's President and CEO, William Lamb, commented, "We are pleased to see the increase in diamond grade as trial mining progresses into the G and F kimberlite domains of the Mothae Pipe. This was anticipated based on information from the original bulk sampling work, and has resulted in bringing the overall sample grade for trial mining work to date in line with our expectations. We also continue to be pleased with the continued recovery of large stones and look forward to our next diamond sale in Q4 of this year."

Lucara has a 75% interest in the Mothae kimberlite project through its subsidiary, Mothae Diamonds (PTY) Ltd ("Mothae Diamonds").

Diamond recovery information remains provisional; Mothae Diamonds commissioned a grease table recovery unit in May and is in the process of treating x-ray recovery tailings for audit purposes. Results of this work will be incorporated into revised diamond recovery and grade information when complete.

Tonnage estimates are based on daily plant weightometer readings and moisture content measurements to determine a dry tonnage estimate. The process plant is being operated by Minopex under contract to Mothae Diamonds and operates at a 2mm bottom cut off size for diamond recovery. Diamond recovery and characterization work is carried out independently by the diamond sorting staff of Remote Exploration Services, also under contract to Mothae Diamonds.

On completion of sample G2A, mining and processing of sample F2A commenced. As of June 12, a total of 2,038 diamonds weighing 993.72 carats have been recovered from a provisional estimation of 25,713 dry tonnes of F2A kimberlite for a sample grade to date of 3.86 cpht and an average stone size of 0.49 carats/stone. The largest three diamonds recovered from sample F2A to date weigh 29.94, 19.21 and 13.82 carats. Mining of sample F2A will continue into July and final sample results reported when this sample is complete.

Mothae Diamonds completed an upgrade to process plant screens during May and early June as a means to reduce maintenance time and thereby increase daily plant throughput. In addition, Mothae Diamonds is planning the installation of a primary crushing circuit to the sample plant to improve processing of harder kimberlite material encountered as mining progresses deeper into less weathered portions of the Mothae pipe.

Mothae Diamonds is conducting a trial mining program of up to 720,000 tonnes on the Mothae kimberlite in Lesotho. Mothae Diamonds is jointly held by Lucara (75%) and the Government of Lesotho (25%). One half of the interest held by the Government of Lesotho is free carried, and one half is paid through the Government of Lesotho's share of project dividends.

The technical content of this release has been reviewed by Dr. L.E. Ott, Lucara's vice president, Exploration, and a qualified person as defined by NI 43-101.

Lucara is a well positioned emerging new diamond producer. The Company has an experienced board and management team with years of diamond development expertise. The Company's two key assets are the AK6

diamond mine in Botswana and the Mothae diamond mine in Lesotho. The 100% owned AK6 project is in the construction stage with mine commissioning scheduled to commence in the fourth quarter of 2011. The 75% owned Mothae mine is currently in the trial mining stage. Both Mothae and AK6 are world class assets with tonnage and throughput upside; diamond values from both could significantly increase with the continued recovery of Type IIA and large stones.

On Behalf of the Board,

William Lamb, President and CEO

Forward Looking Statements: This document contains statements about expected or anticipated future events and financial results of Lucara that are forward-looking in nature and are based on Lucara's current expectations, estimates and projections. This forward-looking information is subject to certain risks and uncertainties, such as legal and political risk, civil unrest, general economic, market and business conditions, the regulatory process and actions, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. The actual results, activities, performance or achievements of Lucara may differ materially from those projected by management. A discussion of factors that may affect Lucara's actual results, performance, achievements or financial position is contained in the filings by Lucara with the Canadian provincial securities regulatory authorities on the system for electronic document analysis and retrieval ("SEDAR") at www.sedar.com.

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